

TOWNSHIP BULLETIN

AND UNIFORM COMPLIANCE GUIDELINES ISSUED BY STATE BOARD OF ACCOUNTS

Vol. No. 254, Page 1

August 2001

ITEMS TO REMEMBER

Per Volume 253, June 2001 Township Bulletin and Uniform Compliance Guidelines, August 31 is the last date for the first publication of a township budget (10 days prior to the public hearing) (IC 6-1.1-17-3).

SEPTEMBER

- September 3: Legal Holiday - Labor Day (IC 1-1-9-1)
- September 7: Last date for second publication of Township Budgets (3 days before the public hearing). (IC 5-3-1-2)
- September 10: Last date for public hearing on proposed budget (at least 10 days prior to the adoption of the budget). Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. (IC 6-1.1-17-5)
- September 20: Last date to file budgets with County Auditor at least two (2) days prior to the first meeting of the County Board of Tax Adjustment if applicable. (IC 6-1.1-17-5) (Contact State Board of Tax Commissioners at 317-232-3773 if conflicts exist with date.)
- September 20: Last date for meeting of Township Board to make appropriations for 2002 and to fix tax levies. (IC 6-1.1-17-5)
- September 22: Meeting of County Board of Tax Adjustment. (IC 6-1.1-29-4) Each County Board of Tax Adjustment, if applicable, shall hold its first meeting of each year on September 22nd or on the first business day after September 22nd if September 22nd is not a business day.
- September: All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)
- NOTE: The Township Board should set the salaries of township officials and employees except assessing officials and employees, in conjunction with the preparation and completion of the township budget. (Use Township Form 17)

OCTOBER

- October 1: On or before this date all duties of the County Board of Tax Adjustment must be completed, except for a consolidated city or county. (IC 6-1.1-17-9)

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**ITEMS TO REMEMBER
(Continued)**

- October 1: Last date to file appeals for an excessive tax levy. (IC 6-1.1-18.5-12)
- As soon as the budgets, tax rates, and tax levies are approved or modified by the county board of tax adjustment, the county auditor shall within fifteen (15) days prepare a notice of the tax rates to be charged on each one hundred dollars of assessed valuation for the various funds in each taxing district. The notice shall also inform the taxpayers of the manner in which they may initiate an appeal of the county board's action.
- October 8: Legal Holiday - Columbus Day (IC 1-1-9-1)
- October 15: Last day to make pension report and payment for third quarter by townships participating in PERF.
- October 31: Last day to file quarterly report for third quarter to Internal Revenue Service.
- October: All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)

NOVEMBER

- November 6: Legal Holiday - Election Day (IC 1-1-9-1)
- November 12: Legal Holiday - Veterans' Day (IC 1-1-9-1)
- November 22: Legal Holiday - Thanksgiving Day (IC 1-1-9-1)
- November 30: On or before June 1 and December 1 of each year (or more frequently if the County Legislative Body adopts an ordinance requiring additional certifications) the Trustee shall certify a list of the names and addresses of each person who has money due from the township to the County Treasurer. (IC 6-1.1-22-14)
- November: All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)

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STATE BOARD OF ACCOUNTS CALLED MEETING

Once again the State Board of Accounts anticipates (in accordance with IC 5-11-14-1) calling a meeting of all Township Trustees in conjunction with the Township Convention November 14th through November 17, 2001 in Indianapolis. Many items pertaining to our audits of townships will be discussed at our meeting on Friday, November 16, 2001. Please make plans to attend the meeting and the Township Convention.

Also, please note the day change to Friday. The Indiana Township Association has requested we change the State Board of Accounts meeting date to Friday.

We have allowed individuals to pick up Annual Report Packages for other townships at prior meetings. However, several situations have arisen resulting in the townships for whom the packages were picked up, not receiving the information. Therefore, a letter such as the following will be required for anybody to pick up your package at the November 2001 meeting. All other packages will be mailed to the address we currently have on file for each township.

To: State Board of Accounts

From: _____ Township, _____ County

Re: 2001 Annual Report Package

Date: _____, 2001

Dear Sirs:

_____ has my permission to pick up the 2001 Annual Report package for me at the annual meeting for Township Trustees.

Township Trustee

DESIGNATION OF TRUSTEE

We have received inquiries concerning designating an acting Trustee under certain circumstances.

The State Board of Accounts is of the audit position that IC 36-6-4-18 provides: "(a) Within thirty (30) days after taking office, the executive shall designate a person who shall perform the executive's duties whenever the executive is absent from the township or is incapable of performing the executive's functions if the executive becomes incapacitated. The executive shall give notice of the designation to the chairman of the township legislative body, the county sheriff, and any other persons that the executive chooses. The designee shall have all the powers of the executive. The executive is responsible for all acts of the designee. The executive may change the designee under this section at any time."

"(b) The designee shall perform the executive's duties until: (1) the executive is no longer absent from the township; or (2) an acting executive is appointed by the county executive under section 16 of this chapter."

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DESIGNATION OF TRUSTEE (Continued)

We have not received any Official Opinions of the Attorney General of the State of Indiana which would indicate that a trustee could appoint a current township board member to serve as acting trustee in a township. Potential constitutional conflicts could exist concerning the holding of two (2) lucrative offices. However, Official Opinion No. 87-22 issued November 18, 1987 of the Attorney General of the State of Indiana discussed the possibility of designating another trustee and provides: "It is, therefore, my Official Opinion that a township trustee may appoint or designate pursuant to Public Law 105-1986 (HEA 1374), a township trustee of another township to act for him while he is absent from the township or while he is incapacitated. However, if any compensation is paid to the designee for the performance of the duties of the appointing township trustee, there may be a violation of Article 2, § 9 of the Constitution of Indiana." Therefore, we are of the audit position townships should consider appointing someone who is a resident of the township not currently holding another lucrative office. Examples might be the previous township trustee, previous board members, or a current clerk in the office. Finally, we are of the audit position that we are not aware of any provision for payment of compensation to an individual designated in accordance with IC 36-6-4-18.

PUBLIC EMPLOYEES RETIREMENT FUND CONTRIBUTIONS (PERF)

We have received the following information from PERF in regards to Public Law 246, 2001.

"Re: Voluntary Contributions to Your Annuity Savings Account

Dear Member:

Your retirement benefit from the Public Employees' Retirement Fund (PERF) consists of two components: (1) the pension portion and (2) your annuity savings account. The pension portion of your retirement benefit is funded by contributions made by your employer over the course of your career and is not part of the annuity savings account. The annuity savings account consists of contributions (3%) that you make (or are made by your employer on your behalf) to the Fund, plus interest credits or earnings. Traditionally, the contribution to your annuity savings account has been set at a mandatory rate of three percent (3%) of your compensation. [Indiana Code, Section 5-10.2-3-2(b)].

During the 2001 Legislative Session, the Indiana General Assembly enacted a provision that allows you to make voluntary contributions in addition to the mandatory three percent (3%) contributions. You may contribute up to an additional ten percent (10%) of your compensation per pay period to your annuity savings account. This means that the maximum level of contributions to your annuity savings account under this new provision is thirteen percent (13%) of your compensation per pay period.

How will the voluntary contributions be invested?

All voluntary contributions to the annuity savings account will be invested in the same manner and percentage as your annuity savings account monies are currently invested. You cannot separate the mandatory and voluntary contributions for investment purposes. For example, if you have all of your annuity savings account in the Guaranteed Fund, your voluntary contributions would be invested there as well. If you have a 50%-50% split between two investment options, that same split will apply to your voluntary contributions. The election you make will automatically apply to voluntary contributions. Specific rules apply to the investment of your annuity savings account. These rules are explained in our booklet entitled, 'Investing Your Annuity Savings Account.' If you have questions about investments, please visit our home page on the World Wide Web at: <http://www.state.in.us/perf> or contact us at our toll-free number at (888) 526-1687."

Please call PERF with all questions.